



Program Guide

Michigan State Housing Development Authority

Building a Better Michigan





MSHDA Programs: Helping to Build a Better Michigan

The Michigan State Housing Development Authority (MSHDA) is dedicated to building a thriving and vibrant future for Michigan. MSHDA provides tools and resources to improve people's lives through programs across the state. These programs assist with housing, build strong neighborhoods, and help create places where people want to live and work.

MSHDA's programs work in four areas:

- Affordable Rental Housing
- Supporting Homeownership
- Ending Homelessness
- Creating Vibrant Cities and Neighborhoods

This guide is a road map to the many programs that connect MSHDA with Michigan people and communities. MSHDA's loan and operating expenses are financed through the sale of tax-exempt and taxable bonds as well as notes to private investors, not from state tax revenues. Proceeds are loaned at below-market interest rates to developers of rental housing, and help fund mortgages and home improvement loans. MSHDA also administers several federal housing programs.

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Temporary Programs Through Federal Stimulus Funds

Several federal funding streams have been established under both the prior and current federal administrations, creating the need to disburse what has become known as stimulus funds through new and innovative MSHDA programs. The funds are temporary and will be distributed during the coming 18 to 24 months. The programs and available funds will be changing often during this time period and will affect MSHDA services in the areas of Homeownership, Rental Housing, Homelessness and Supportive Housing, Community Development and the creation of Vibrant Cities, Neighborhoods, and Downtowns. Stay informed by visiting the MSHDA Web site regularly at michigan.gov/MSHDA, or contact MSHDA's Economic Recovery Liaison office at: 517.241.3681.

Affordable Rental Housing

Tax-Exempt and Taxable Bond Lending Programs

MSHDA offers tax-exempt and taxable bond loans to for-profit and nonprofit developers for the construction or rehabilitation of rental developments between 24 and 150 units. MSHDA also provides tax-exempt and taxable bond loans for the preservation of federally assisted rental housing. At least 20 percent of the units are for households with incomes at or below 50 percent of the area median income or 40 percent of the units must be for households with incomes at or below 60 percent of area median income. The program is designed to be used in conjunction with Low Income Housing Tax Credits. Contact: 517.373.6880

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Low Income Housing Tax Credit (LIHTC) (Housing Credit)

MSHDA administers the federal Low Income Housing Tax Credit according to a Qualified Allocation Plan. At a minimum, 20 percent of units must be for households with incomes at or below 50 percent of area median—or 40 percent of units at 60 percent of median income. Contact: 517.373.6007

Michigan Housing Locator

The Michigan Housing Locator is Michigan's primary source for marketing affordable rental housing. The services provided by the Housing Locator are free to property owners and renters.

MichiganHousingLocator.com • Contact: 517.373.1973

Housing Choice Voucher (HCV) Program (Previously termed Section 8)

This program provides federal rent subsidies to participants. MSHDA guidelines require that 85 percent of the families served at admission to the program must have incomes not exceeding 30 percent of the area median income (AMI). While 15 percent of households served may have incomes up to 50 percent of AMI, MSHDA guidelines require new admissions to have incomes at or below the federal poverty level. Participants find their own housing in private homes and apartment buildings.

∴ Contact: Lansing Office 517.373.9344 • Detroit Office 313.456.3540

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Modified Pass Through Program

The Pass Through program offers tax-exempt loans to for-profit or nonprofit developers for new construction or rehabilitation of rental developments up to 150 units. Loans must be credit enhanced by a third party, and the use of the four percent housing credit is required. Sixty percent of the units are for households with incomes at or below 60 percent of the area median income—or 40 percent of units at 50 percent of area median income.

Contact: 517.373.8295

Homeownership/Home Improvement

Homeownership Mortgages

MSHDA offers affordable fixed rate mortgage loans for the purchase of a new or existing house, manufactured home or condominium. Income and purchase price limits apply. Applications are made through participating banks, credit unions and mortgage companies. A list of participating lenders is located on the MSHDA Web site at michigan.gov/MSHDA. Contact: 800.327.9158 or 517.373.6840

Down Payment Assistance Program (DPA)

The DPA program offers up to \$7,500 in a zero-interest loan on certain first mortgages through the Homeownership division. Income and purchase price limits apply, borrowers must contribute a minimum of one percent of the sale price and must complete a homebuyer education course. Contact: 800.327.9158 or 517.373.6840



Graduate Purchase Assistance (GPA) Program

The GPA program offers a reduced interest, fixed-rate conventional loan to college graduates from an accredited institution, that meet MSHDA's sales price and income eligibility guidelines. Borrowers in the program must have received an associate, bachelors, masters, or doctoral degree within three years prior to the date of the loan application to qualify. Contact: 800.327.9158 or 517.373.6840

Homeownership Counseling Program

The program provides pre-purchase homebuyer education, financial management, budget counseling, credit repair counseling, home maintenance training, pre-purchasing home inspections and foreclosure prevention counseling. Counseling services are provided by MSHDA certified counseling agencies across the state.

Contact: 800.327.9158 or 517.373.6840

Property Improvement Program (PIP)

PIP offers interests rates of four percent to eight percent on loans that can be used to improve homes. The homeowner may add energy conservation improvements, make the home more accessible to a family member with physical disabilities, repair hazards to health or safety and repair damage from a declared natural disaster. Income and loan limits apply. Applications are made through participating lenders and community agents. Landlords with rental properties of 1–11 units are able to apply. A list of participating lenders is located on the MSHDA Web site at michigan.gov/MSHDA. Contact: 517.373.8017

Family Self-Sufficiency (FSS) and Key to Own Programs

The Housing Choice Voucher Program is primarily a tenant based rental assistance program for very low-income families, but has components of Family Self-Sufficiency and Key to Own programs which can lead to homeownership. The two programs promote and provide education and job training opportunities for families through counseling to become self-sufficient and economically independent. Contact: 517.373.9344

Save the Dream Program

This toll free hotline directs callers to a MSHDA-certified foreclosure prevention counselor in their area. The MSHDA Web site at michigan.gov/MSHDA contains educational and resource information for homeowners having difficulty making their mortgage payments or facing foreclosure. Click on the Save the Dream icon.

Contact: 866.946.7432

Homeless and Supportive Housing

Supportive Housing

This program provides for-profit and nonprofit organizations with funding and technical assistance for developing or expanding rental housing targeted to homeless and/or special needs households with incomes at or below 30 percent of the AMI. TheCampaignToEndHomelessness.org • Contact: 517.241.1609

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Homeless Grants Program

This grants program awards federal and MSHDA funding to local units of government and public and private nonprofit agencies with 501 c(3) status that have at least one year of experience in providing case management, homeless prevention, operating costs, rapid rehousing and tenant-based rental assistance specifically targeted to homeless people. Applicant organizations must be actively involved in a recognized continuum of care planning body. Contact: 517.241.1609

Community/Neighborhood/Downtown Revitalization

Housing Resource Fund (HRF)

The HRF awards grants to eligible community-based nonprofit housing organizations and local units of government for a variety of homebuyer, homeowner and rental housing projects. Projects must address unmet housing needs in community settings or contribute to the revitalization of Michigan's neighborhoods. Contact: 517.373.1974

Predevelopment Loans

This program provides interest-free loans to nonprofit organizations for predevelopment expenses of affordable housing developments. Loans may be used for a variety of reasons, such as to pay for market studies or consulting fees, but may not be used to pay general staff or administrative costs. Contact: 517.373.1974

Technical Assistance Program

Technical Assistance provides consultants and training to increase the housing production capacity of eligible nonprofit organizations and local units of government. Assistance is available for planning and resource development, board governance, personal/administrative management, financial management, housing development and portfolio/asset management. Contact: 517.373.1974

Cities of Promise

The Cities of Promise is an interagency, quality of life initiative that aims to strategically leverage existing state resources to promote community and economic development. The selected Michigan cities are those that have the highest rates of poverty per capita including Benton Harbor, Detroit, Flint, Hamtramck, Highland Park, Muskegon Heights, Pontiac and Saginaw. Each city has a partnership team that includes state agency representation, local units of government partners, and other stakeholders including churches, schools, businesses, hospitals, community development corporations, human services organizations and others.

CitiesofPromise.org • Contact: 517.373.9097

Cool Cities

The Michigan Cool Cities initiative is an urban strategy to revitalize Michigan's cities by attracting the talent and jobs of the emerging economy. It is a collaborative model for economic engagement and community revitalization.

CoolCities.com • Contact: 517.373.9097



Neighborhood Preservation Program (NPP)

Provides a comprehensive approach to neighborhood revitalization as well as marketing, demolition and beautification. It requires a thorough assessment of neighborhood stakeholders and most importantly, the local unit of government.

Contact: 517.373.1974

Michigan Main Street

The Michigan Main Street (MMS) program provides technical assistance services to communities who are targeting the revitalization and preservation of their traditional commercial district. The MMS program assists communities in developing their own local Main Street program by utilizing the Main Street 4-Point Approach—a common-sense approach to tackling the complex issues of revitalization capitalizing on a downtown's history, and identifying the unique assets of the community itself. MichiganMainStreetCenter.com • Contact: 517.241.1737

Cultural Economic Development

The Office of Cultural Economic Development facilitates the development and implementation of the 'Michigan Cultural Economic Development Strategy.' Its purpose is to attract resources, programming and initiatives designed to leverage the state's creative talent and cultural assets to spur economic growth and build community prosperity resulting in vibrant cities and neighborhoods throughout the state. One of its major initiatives is the Idlewild Centennial Commission which coordinates activities commemorating the 100th anniversary of the founding of the Idlewild resort community in Lake County. The initiative leverages the community's unique cultural heritage and strengths to attract new investment and economic growth. Contact: 517.241.3973

Archaeology

The Office of the State Archaeologist (OSA) records, investigates, interprets and protects Michigan's archaeological sites. The OSA maintains and updates the official database of recorded archaeological sites located both on land and underwater. The office works closely with the State Historic Preservation Office, and carries out the federally mandated archaeological aspects of its programs. The OSA curates archaeological collections obtained from state land, as well as collections generated by review and compliance projects across the state. The office is responsible for archaeology on state land, and also collaborates with the Michigan Historical Museum, Department of Natural Resources, on exhibits and educational programs on archaeology for school children and the general public.

Contact: 517.373.6358

Historic Preservation

Michigan's State Historic Preservation Office (SHPO) works with communities, individuals, developers and non-profits to create a sense of place by identifying, evaluating and designating, and reinvesting in historic resources. The SHPO administers the National Register of Historic Places program in Michigan, the Michigan Lighthouse Assistance program, which is funded through the sale of the Save Our Lights license plate, and incentive programs that include state and federal tax credits and pass-through grants available to certified local governments. The SHPO also works with state and federal agencies to carry out responsibilities mandated by the National Historic Preservation Act. Contact: 517.373.1630



MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

michigan.gov/MSHDA ■ Phone 517.382.4568 ■ TTY 1.800.382.4568



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Equal Housing Lender



Grand Rapids photo courtesy of S. Walker